# **Results – Outsourcing Contract Assessment**

| **ID** | **Requirement** | **Compliance Assessment** | **Compliance score** |
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| OR01 | Scope of services: Description of the scope of the outsourcing agreement including a specification of all outsourced functions or services | The contract satisfies the requirement for a description of the scope of services by clearly outlining the services provided, allowing for flexibility and adaptation, and including provisions for implied services. It also ensures that service standards, resource responsibilities, and performance reviews are well-defined, thereby comprehensively addressing the requirement. | 10.0 |
| OR02 | Contract duration and key dates: The start date, renewal date, end date, and any notice periods for termination or renewal of the outsourcing agreement | The contract provisions likely fulfill the requirement for contract duration and key dates, as they comprehensively address the start date, renewal date, end date, and notice periods for termination or renewal through various sections. | 9.95 |
| OR03 | Sub-contracting: Specification of whether and under what conditions the service provider may sub-contract any portion of the outsourced services, including requirements for obtaining prior approval from the institution, and provisions establishing the primary service provider's contractual responsibility for the performance and risk management of all sub-contractors. | The contract partially satisfies the requirement by establishing Fiserv's contractual responsibility for the performance of subcontractors and outlining a process for addressing RFS's concerns. However, it does not explicitly address the need for obtaining prior approval from RFS for subcontracting or provide detailed provisions on risk management of subcontractors. | 5.79 |
| OR04 | Performance and service levels: Description of the required service levels, including quantitative and/or qualitative performance metrics (e.g., KPIs, SLAs), obligations for the service provider to achieve or surpass these targets, and procedures for regular monitoring, remedial actions, and timely reporting when performance falls below agreed standards. | The contract likely fulfills the requirement for performance and service levels by establishing a comprehensive framework that includes defined service levels, regular monitoring, reporting, and quality assurance mechanisms. It specifies performance standards, mandates periodic reviews and improvements, and requires corrective actions when performance falls below standards. However, the contract summary does not explicitly mention specific quantitative performance metrics (e.g., KPIs, SLAs), which may be necessary for fully satisfying the requirement. | 7.91 |
| OR05 | Operational and risk management standards: Description of required operational controls, internal control procedures, and risk management practices the service provider must implement, including obligations to comply with relevant institutional policies, procedures, and applicable regulatory standards. | The contract likely fulfills the requirement for operational and risk management standards by comprehensively addressing operational controls, risk management practices, regulatory compliance, quality assurance, and audit processes. | 9.11 |
| OR06 | Business continuity management and disaster recovery: Requirements for the service provider to establish and maintain effective business continuity and disaster recovery plans, including obligations for regular testing and coordination with the institution's own continuity protocols to ensure resilience of outsourced services. | The contract provisions likely fulfill the requirement for business continuity management and disaster recovery. They establish a comprehensive framework for maintaining and testing BCP/DRP, managing changes that could impact service continuity, and addressing disruptions due to unforeseen events. However, the contract does not explicitly mention coordination with the institution's own continuity protocols, which is a key aspect of ensuring resilience of outsourced services. | 8.01 |
| OR07 | Data ownership and location: Specification of geographic locations (regions or countries) where outsourced functions or services will be delivered, and where data will be stored, processed, or transferred, including mandatory notification procedures if the service provider intends to change data-processing locations. | The contract partially satisfies the requirement by addressing data security, encryption, and compliance with applicable laws. However, it does not explicitly specify geographic locations for data storage or processing, nor does it detail mandatory notification procedures for changes in data-processing locations. | 4.92 |
| OR08 | Data confidentiality: Requirements detailing obligations to protect data confidentiality, integrity, and availability (including customer data), specifying standards for secure handling, transmission, storage, and disposal of information. | The contract likely fulfills the requirement for data confidentiality, integrity, and availability. It includes comprehensive provisions for safeguarding data, compliance with relevant laws such as the GLB Act, CCPA, and PCI-DSS, and specifies obligations for data encryption and confidentiality. These measures collectively establish a robust framework for secure data handling, transmission, storage, and disposal. | 9.22 |
| OR09 | Audit and inspection rights: Specification of the institution's and regulatory authorities' rights (including designated third parties) to audit, inspect, and obtain copies of relevant records held at the premises of the service provider or its sub-contractors, including obligations for the service provider to provide unimpeded access and full cooperation to competent supervisory authorities. | The contract appears to fully satisfy the requirement for audit and inspection rights. It grants RFS, its auditors, inspectors, regulators, and designated representatives comprehensive access to Fiserv's facilities, personnel, and records. It also mandates Fiserv to maintain an audit trail, conduct annual third-party audits, and facilitate audit follow-ups. These provisions ensure unimpeded access and full cooperation with competent supervisory authorities, aligning with the requirement's specifications. | 10.0 |
| OR10 | Monitoring and reporting: Specification of the ongoing reporting obligations (including frequency, format, and content) related to operational performance and risk indicators. | The contract likely fulfills the requirement for monitoring and reporting obligations by specifying structured periodic reports, regular meetings, audit processes, and quality assurance measures. These provisions collectively address the frequency, format, and content needed for operational performance and risk indicator reporting. | 9.38 |
| OR11 | Notification of adverse developments: Description of specific events or circumstances requiring timely notification by the service provider regarding negative developments (e.g., security breaches, financial instability), enabling the institution to implement prompt risk mitigation measures and fulfill related regulatory reporting obligations. | The contract appears to comprehensively satisfy the requirement for notification of adverse developments. It includes provisions for timely notification of security incidents, audit findings, financial instability, and regulatory compliance issues, enabling RFS to implement risk mitigation measures. Additionally, the contract addresses insurance and indemnity, which indirectly support risk management, and ensures coordinated public disclosures. | 9.73 |
| OR12 | Liability, indemnity, and insurance: Specification of how liability is allocated between the parties, including provisions for indemnification and minimum requirements for insurance coverage to protect against losses, breaches, or operational disruptions. | The contract comprehensively satisfies the requirement for liability, indemnity, and insurance by clearly outlining liability allocation, detailed indemnification clauses, and specific insurance coverage requirements, including the inclusion of RFS as an additional insured. | 10.0 |
| OR13 | Termination rights: Description of termination rights and related minimum notice periods, including conditions under which the institution may terminate the outsourcing arrangement, such as changes in ownership or control of the service provider, insolvency, receivership, judicial management, or a demonstrable deterioration in the service provider’s ability to fulfill contractual obligations. | The contract appears to fully satisfy the requirement for termination rights. It comprehensively outlines various conditions under which the institution may terminate the outsourcing arrangement, including material breach, change of control, force majeure, intellectual property infringement, financial inability, and regulatory action. Additionally, it specifies minimum notice periods and includes provisions for termination assistance, ensuring a smooth transition of services. | 10.0 |
| OR14 | Dispute resolution: Description of procedures for resolving disputes, such as the agreed processes, escalation paths, governing law, and the jurisdiction for legal proceedings. | The contract partially satisfies the requirement by outlining a structured dispute resolution process, including informal resolution and arbitration under AAA rules, governed by the Federal Arbitration Act, and specifying New York City as the arbitration location. However, it does not explicitly address the governing law or jurisdiction for legal proceedings outside of arbitration. | 7.49 |